



HEALTH CARE FREQUENTLY ASKED QUESTIONS (FAQ)

1. Why is does the current health care bill lack bipartisan support?

I support health care reform. However, the current proposal goes far beyond fixing the problems we all know need to be addressed. The House bill is a complete upheaval of our current system. That is why the bill lacks bipartisan support. Here are five straightforward reasons why I oppose the bill:

- Health care costs will go up for the government and everyone else
- As many as 2 out of 3 Americans will lose their current health coverage and be forced into the government-run plan.
- Raising taxes on small businesses is the wrong solution for an economy in a recession
- The new government run plan will lead to fewer choices and rationing
- The current plan raises taxes on middle class Americans, which is never a good idea

2. What health care reforms have received my support?

I've supported and helped pass several bills that were signed into law improving health care in America:

Medicare Prescription Drug Benefit (Part D)

- The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 brought Medicare into the 21st Century by providing seniors with a prescription drug benefit, something private insurance plans had offered for decades.

Health Savings Accounts (HSAs) and Tax Incentives for Health Care Coverage

- Expanded tax incentives to purchase affordable health coverage, including the creation of Health Savings Accounts (HSAs). More than 8 million people are enrolled in an HSA plan today. The Republican Congress also advanced policies to expand the portability of health insurance, privacy protections, and transparency of health care costs, setting the stage for greater adoption of electronic health records, something that will help produce better outcomes at lower costs.

Expansion of Community Health Centers

- Increased funding for and expanded the availability of Community Health Centers, the safety net of providers for Americans who don't have access to primary health care in rural and urban areas.

Fighting Entitlement Program Waste, Fraud, and Abuse

- Included a series of legislative proposals in the Deficit Reduction Act of 2005 to rein in government over-spending, streamline payment policies, and reduce waste and fraud in Medicare and Medicaid. These reforms provided states with greater flexibility to deliver care to poor populations under Medicaid with the stronger enforcement protections to prevent millionaires from hiding assets to qualify for Medicaid services as well as illegal aliens.

NIH Medical/Basic Research

- Doubled the budget of the National Institutes of Health in the 1990s, which will help fund research to develop future medical breakthroughs. The NIH Reform Act of 2006 is transforming how science research dollars are spent and how findings are translated.

Small Business and improved access to Affordable Health Care

- Supported and moved legislation that would expand opportunities for small businesses to band together to purchase high-quality health care for their employees at more affordable prices, Association Health Plans (AHPs), and medical liability reform legislation to eliminate expensive defensive medicine. Unfortunately these proposals were blocked from consideration in the Senate. If either of these two proposals were law today, we would be starting at a very different place with health reform.

State Children's' Health Insurance Program (SCHIP)

- I voted to create the SCHIP program, called Healthy Families in California, to provide health insurance coverage to children from low income families and have cosponsored legislation that would streamline the enrollment process for children who may be eligible for the program. If enacted this legislation would allow parents to enroll their children in SCHIP at the same time that they enroll them in federally funded education programs. Additionally, I have opposed the expansion of SCHIP into wealthier populations ensuring that resources in the program are used to cover poor children first.

3. What taxes will be raised in the House Democrat health care bill?

The current House bill increases taxes while at the same time increasing the overall federal deficit. CBO estimates that the bill will increase the deficit by \$239 billion in the first ten years. Even this is misleading though, since the tax increases in the bill start immediately, but the new spending is delayed. Once the spending fully starts, the bill adds over \$60 billion a year to the deficit. Among the tax increases in the Democrats bill are:

- **New surtax on individuals** with more than \$280,000 in adjusted gross income (\$350,000 for a couple). The surtax rises with income, reaching 5.4% for individuals with \$800,000 or more in income (\$1,000,000 for a couple). This new tax will push the top tax rate in 39 of the 50 states to more than 50%. Because small businesses pay their taxes through their owners, this new surtax will largely fall on the backs of small businesses. According to the non-partisan Joint Tax Committee, 42% of all small business income will be subject to this new surtax.
- **New tax on individuals** of 2.5% of income if they don't purchase "government approved" coverage.
- **New 8% payroll tax on employers**, forcing employers to offer "acceptable coverage" or pay the tax including:
 - Employers who can't afford to offer health insurance to their employees;
 - Employers who do the right thing and offer health coverage to their employees but the coverage is deemed "insufficient" by the government;
 - Employers who do the right thing and offer "government approved" health care to their employees and some employees decide to purchase coverage elsewhere; and
 - Employers who aren't paying at least 72.5% of an employee's premium (65% for family coverage).
- **New tax on health insurance premiums** to fund comparative effectiveness research that will make coverage through every private health plan more expensive.

- **Limitations on existing use of Health Savings Accounts, Flexible Spending Accounts, and other health related accounts** that will drive up health care costs for individuals using these plans.
- **Additional tax increases on businesses** unrelated to health care, including delay in helpful worldwide interest rules, changes to the international tax rules that could put the U.S. in violation of its treaty obligations, and codification of the economic substance doctrine.

4. What impact will this have on those living in the 44th District:

All residents of CA 44 will be impacted by the Democrat Health reform legislation currently before the House. If implemented, the bill would **cut over \$106 million in payments to hospitals in the 44th District** (Source: *American Hospital Association*) which could result in fewer services, smaller staffs and longer wait times. Increased taxes in the bill create an incentive for small business owners to pay lower wages. For a small employer to receive assistance in providing his employees healthcare, he will have to pay his employees \$20,000 a year or less

For more information please see the document I have prepared titled, **“What impact will the Democrat Health Care Bill have on those living in the 44th District?”** It is available through my website at, www.calvert.house.gov under “Issues and Legislation,” “Health Care” or in my District Office.

5. How many uninsured people are in the United States, who are they, and why are they uninsured?

Approximately 47 million people in the United States are uninsured for some period of time in a given year. Within this population:

- Approximately 23% are already eligible for health insurance, but not yet enrolled for a safety net program like Medicaid or SCHIP.
- Approximately 22% have incomes that are over 300% of the federal poverty level, but choose not to purchase insurance
- Approximately 9.3 million are not U.S. citizens
- Nearly 60% of the uninsured are under the age of 35
- The true target uninsured population of individuals who are citizens, low-income, and do not qualify for other federal assistance is about 10 million people.

6. Why can't we get the same type of health care that's available to Members of Congress?

Members of Congress are eligible to participate in the Federal Employees Health Benefits Program (FEHBP). Notably the FEHBP does not include a “government run” plan. Members of Congress and federal employees have the choice of several different options, ranging from Health Savings Accounts to more extensive plans (HMOs, PPOs, fee for service, etc.) with varying co-pay and deductible requirements. Republicans support providing Americans with affordable coverage options. However, a government-run plan, in which providers are paid below market-Medicare rates, will drive other options out of business. That is why independent studies agree that a government-run plan will cause as many as 2 out of 3 Americans to lose their current coverage. Furthermore, Rep. Calvert agrees with them and that's why he is a co-sponsor of the Patients' Choice Act ([H.R. 2520](https://www.congress.gov/bills/111/2520)) which gives Americans the same standard health benefits as Members of Congress, so all Americans have a wide range of choices.

7. What plan is there to help me if I am unemployed and have no health insurance?

Congress recently approved legislation that expands COBRA coverage (allowing you to continue to pay premiums to a former employer to retain coverage) and provides additional tax credits to unemployed workers for this often expensive coverage. Depending on your length of unemployment, you may still be eligible for federal assistance.

8. I have heard that my health coverage choices will be limited under the Pelosi plan. Is this true?

Yes, a new unelected, government bureaucrat, the "Health Care Commissioner," would have unprecedented authority to determine what will be "acceptable" health care coverage and set all the rules for what health care coverage must include in addition to what treatments patients could receive and at what cost. Your current insurance plan may not qualify as "acceptable" coverage. In fact, many plans that are currently options available to Members of Congress through FEHBP wouldn't meet the proposed onerous requirements. Republican amendments to ensure that people could keep their current health care plans were defeated by the Democrats in all three Committees (Energy and Commerce; Education and Labor; and Ways and Means).

9. I've heard that health care will be rationed under the current health proposal supported by Pelosi and other Democrats. Is this true?

Yes, the current health proposals under consideration in Congress place too much control in the hands of government bureaucrats who will ultimately be able to decide what is "acceptable" coverage, including what health care services and treatments may be covered and at what cost.

Furthermore in February, as part of their economic stimulus bill, Democrats created a Federal Coordinating Council for Comparative Effectiveness Research that has the power to greatly influence and potentially decide coverage decisions about what treatments may be offered to patients based on cost. A draft report issued by the House Appropriations Committee to explain this initiative made clear the ultimate goal:

By knowing what works best and presenting this information more broadly to patients and healthcare professionals, those items, procedures, and interventions that are most effective to prevent, control, and treat health conditions will be utilized, while those that are found to be less effective and in some cases, more expensive, will no longer be prescribed.

Comparative effectiveness is already resulting in rationing in Europe. In 1999 the British created their comparative effectiveness organization called the National Institute of Health and Clinical Excellence (NICE).

In 2001, NICE deliberately restricted state-insured sufferers of multiple sclerosis from receiving the innovative medicine Beta Interferon. Claiming that its relatively high price jeopardized the efficacy of the [the National Health System], patients with the more severe forms of the disease were told that they would have to go on suffering in the name of politically defined equity.

In January 2009, patients with osteoporosis also fell foul of NICE. The institute declared that only a small minority of patients with this debilitating disease would receive the medicine Protelos, and even they would receive it only as an extreme last resort.

During the Committee mark-ups of the House Democrats bill, Democrats defeated amendments that would prevent rationing.

10. Should Illegal aliens receive taxpayer funded health insurance?

No. I believe that only those who are in the United States legally should have access to any health insurance program that is taxpayer funded. It is for this reason that I introduced and passed in the

Appropriations Committee an amendment to the Labor, Health and Human Services and Education Appropriations Bill that would prohibit taxpayer funds from providing health insurance to illegal immigrants. However, it should be noted that this amendment did not place restrictions on who a hospital could see in case of an emergency or other catastrophic injury or public health matter.

11. Do you support an alternative health care plan?

Yes. I agree that health care in America is too expensive and too many families don't have access to affordable, high-quality health care. In contrast the Democrats' approach costs too much, covers too few, and forces too many to lose the coverage they currently have. I support a plan that is a common-sense plan to reduce costs, expand access, and increase the quality of care in a way that America can afford. You can read more about the Patients' Choice Act (H.R. 2520) at www.thomas.loc.gov or by clicking [here](#).